



# Public Information

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FOR IMMEDIATE RELEASE TUESDAY 88-05-17

NEWARK COUNCILMAN INDICTED ON TWO COUNTS  
OF EXTORTION BY FEDERAL GRAND JURY  
FACES MAXIMUM FINE OF \$20,000 AND 40 YEARS

A six-year Newark councilman has been indicted by a federal grand jury for using his position as chairman of the city's Real Estate Commission to allegedly extort kickbacks from a businessman in return for helping him obtain city-owned properties for rehabilitation, U. S. Attorney Samuel A. Alito announced today.

George T. Branch, 59, was charged with two counts of extortion totaling \$1,500 occurring in June and October 1983, in an indictment unsealed today, according to Alito.

Branch- if convicted, faces a maximum penalty of 20 years' imprisonment and a \$10,000 fine on each count, Alito said.

As chairman of Newark's Real Estate Commission, Branch "was entrusted with administrative powers and responsibilities affecting properties

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(MORE)

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which the City of Newark wished to sell," according to the indictment returned last Thursday and sealed until today.

*wanted to buy  
rebuild props*

Branch is accused of soliciting \$1,000 in cash from Andrew Davlourous, a restaurateur who operated businesses under the corporate names of Treat Foods and Treat Caterers, according to the indictment.

*able to obtain under color of official vote*  
Branch's first kickback from Davlourous occurred in "at least June of 1983 and continued through September of 1983 at Harrison, Newark and Maplewood, in the district of New Jersey and elsewhere," according to the indictment.

*been out of county*

*buying into  
prop*

The indictment's second count alleges that \$500 was taken in cash kickbacks from Davlourous "with his consent, such consent having been induced by a wrongful use of fear of financial and economic injury to Andrew Davlourous," according to the indictment.

Under Title 18 of the U.S. Code, governing interstate commerce, the indictment stated that the extortion of Davlourous "obstructed, delayed and affected interstate commerce...in that corporations owned by Andrew Davlourous were dependent upon interstate commerce for materials and supplies."

Branch is expected to surrender to federal authorities in a day or two, Alito said.

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*Judge  
Dissell*